

CENTRAL INTELLIGENCE AGENCY  
**INFORMATION REPORT**

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THE SOURCE EVALUATIONS IN THIS REPORT ARE DEFINITIVE.  
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 (FOR KEY SEE REVERSE)

Soviet Union

1. Originally it was the Yugoslavs who sought a "normalization of relations with the Soviet Bloc. This situation has been reversed, however, and now it is the Soviets who are seeking the "normalization". Moscow may have illusions about winning the Yugoslavs back to the Soviet fold. It is possible that some of the Soviet leaders may consider the Yugoslav episode as "Stalin's personal mistake". 25X1
2. The Yugoslavs feel that the Stalinist-type dictatorship which controlled the Soviet Union for so long, could not have been prolonged much beyond the present. Malenkov is presently seeking a modus vivendi which includes changes dictated by internal forces. So far, only minor concessions have been made but even so, in the long run the leaders may not be able to control the new force which is developing in the Soviet Union. 25X1

The Balkan Pact

3. The Yugoslavs feel that since there is no clause in the Balkan Pact which would automatically require them to enter the conflict in case one of the other members of the Pact became involved in hostilities, they would not necessarily enter any future war involving Greece and Turkey immediately. However, the 25X1

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Yugoslavs entertain no illusions about staying out of any possible future conflict.

5. No overtures to Bulgaria to join the Balkan Pact have been made and it is unlikely that any will be made in the foreseeable future. There is no force developing in Bulgaria which is, or would be, strong enough to oppose the Communists. Bulgaria possesses almost exclusively an agricultural economy and fewer moves in the direction of industrialization have been made here than in the other Satellites.

NATO

6. Yugoslavia would apply for membership in NATO in the event of an immediate threat of war. Yugoslavia considers its role at present to be as follows:
- a. To undermine the present Soviet Communist leadership and to create a successful Communist state outside the orbit of the Soviet Union;
  - b. To remain outside of NATO until it is absolutely necessary to seek membership. As long as the Americans stress that NATO is an anti-Communist front, it is impossible for the Yugoslavs to join. This is primarily because of domestic considerations; and
  - c. By not being a member of NATO, Yugoslavia can speak with other neutrals as an outsider. Such neutrals mentioned were India, Burma and other southeast Asian countries.

EDC

7. The Yugoslavs feel that the London Nine Power Agreement was a much better solution to the problem of European Military integration than EDC would have been.

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